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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/824,935	04/15/2004	Steven Freiberg	3184/44	7562

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KRAMER LEVIN NAFTALIS & FRANKEL LLP  
INTELLECTUAL PROPERTY DEPARTMENT  
1177 AVENUE OF THE AMERICAS  
NEW YORK, NY 10036

EXAMINER
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VANDERHORST, MARIA VICTORIA

ART UNIT	PAPER NUMBER
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3688

NOTIFICATION DATE	DELIVERY MODE
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05/10/2010

ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

klpatent@kramerlevin.com

<b>Office Action Summary</b>	<b>Application No.</b> 10/824,935	<b>Applicant(s)</b> FREIBERG, STEVEN	
	<b>Examiner</b> M. VICTORIA VANDERHORST	<b>Art Unit</b> 3688	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 07 January 2010.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1,2,4-21,23,24,36-43,46-48,50,53 and 55-69 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-2, 4-21, 23-24, 36-43, 46-48, 50, 53, and 55-69 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)         | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____                                      |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)         | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____   | 6) <input type="checkbox"/> Other: _____                          |

### **DETAILED ACTION**

This communication is in response to the Request for Continued Examination for filed on 01/07/2010 for the application No. 10/824,935. Claims 3, 22, 35, 44-45, 51-52 and 54 have been cancelled. Claims 1-2, 4-21, 23-34, 36-43, 46-48, 50, 53, and 55-69 are currently pending and have been examined. Claims 1-2, 4-21, 23-34, 36-43, 46-48, 50, 53, and 55-69 have been rejected.

#### ***Continued Examination Under 37 CFR 1.114***

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 01/07/2010 has been entered.

***Claim Objections***

1. **Claim 1** is objected to because of the following informalities: concerning to claim 5, "...A computer method for ...." should apparently be – ... 1. A computer method for - appropriate correction is required.

***Claim Rejections - 35 USC § 112***

2. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

3. Claims **1, 18, 33, 50, and 65** are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. It seems that limitation "authorized travel modes including at least two of air, water, bus, vehicle and train", has not been described in the specification.

***Claim Rejections - 35 USC § 102***

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4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. **Claim 1-2, 5, 7-11, 18, 21, 24, 26-30, 33-34, 37, 39-43, 50, 53, 56, 58-62, and 65-66 are rejected under 35 U.S.C. 102(e) as being anticipated by \* U.S. Patent No. 6,609,658 (Sehr) .**

**As to Claims 1, 33 and 65**, Sehr discloses a computerized method for rewarding use of a payment product by the payment product holder (abstract , Col. 13:1-5) , the method comprising the steps of:

(a) issuing a payment product from an issuer to a holder, said payment product representing funds available to said holder, said payment product providing means of payment for at least one purchase transaction by said holder (Col. 1:10-25),

(b) comparing said at least one purchase transaction using said payment product with pre-defined rewards eligibility criteria of said issuer to determine whether said at least one purchase transaction is a qualifying purchase transaction (Col. 10:25-35) in compliance with said pre-defined rewards eligibility criteria, said comparing being performed by a data processor (Col. 13:2-6);

(c) calculating and storing a value redeemable by said holder for at least one benefit based on said at least one purchase transaction when said at least one purchase transaction is a qualifying purchase transaction, said calculating and storing being performed by a data processor (Col. 15:30-39);

(d) determining one or more a travel distances associated with said qualifying purchase transaction and calculating and storing an additional value redeemable by said holder for said at least one benefit based on said determined travel distances, said calculating and storing being performed by a data processor

(Sehr teaches "...The passenger card lets the cardholder also accumulate frequent bonus points in consideration of traveling with a particular carrier over a predetermined distance... These points can be exchanged later on for a free trip or a reduced ticket price, used to buy a discounted merchandise, or applied as a co-payment for the rendering of selected services...", Col. 22:4-12) , and

(e) providing access to said stored value and said stored additional value to said holder to facilitate redemption of at least a part of at least one of said value and said additional value for said at least one benefit (Col. 22:4-12) ,

wherein said pre-defined rewards eligibility criteria provide that a qualified purchase transaction is a transaction in which a ticket or a travel pass for any of various

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authorized travel modes is purchased, said authorized travel modes including at least two of air, water, bus, vehicle and train (Col. 15:10-39).

**As to Claims 18 and 50**, Sehr discloses a computerized method for effecting a rewards program based on use of a payment product (abstract , Col. 13:1-5), the method comprising the steps of:

- (a) retrieving payment product data associated with a payment product issued by an issuer to a holder, said payment product data including a holder identification and an accrued rewards value balance (Col. 1:10-25 and Col. 2:17-26),
- (b) retrieving transaction data associated with at least one purchase transaction using said payment product (Col. 10:25-65),
- (c) comparing said transaction data against pre-defined rewards eligibility criteria to determine whether said at least one purchase transaction using said payment product is a qualifying purchase transaction in compliance with said pre-defined rewards eligibility criteria, said comparing being performed by a data processor

(Sehr teaches, "...This stamp can be further used to qualify the passenger for certain privileges or considerations...", Col. 13:2-6);

- (d) calculating a value redeemable by said holder for at least one benefit based on said at least one purchase transaction when said at least one purchase transaction using said payment product is a qualifying purchase transaction, said calculating being performed by a data processor (Col. 14:50-67 and Col. 15:1-10),
- (e) retrieving travel-related purchase data associated with travel-related purchases included in said qualifying purchase transaction (Col. 15:1-10),

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(f) determining from said travel-related purchase data one or more a travel distances associated with said qualifying purchase transaction and calculating an additional value redeemable by said holder for said at least one benefit based on said determined travel distances, said determining and calculating being performed by a data processor (Col. 22:4-12) ,

(l') updating said accrued rewards value balance based on at least one of said calculated value and said calculated additional value

(Sehr teaches, "...The passenger card lets the cardholder also accumulate frequent bonus points in consideration of traveling with a particular carrier over a predetermined distance...", Col. 21:53-67 and Col. 22:4-12),

(g) comparing said accrued rewards value balance against a pre-selected threshold amount associated with said at least one benefit to ascertain whether said accrued rewards value balance is sufficient to entitle said holder to receive said at least one benefit, said comparing being performed by a data processor (Col. 22:4-12), and

(h) providing said holder with access to said accrued rewards value balance to facilitate redemption of at least a part of said accrued rewards value balance for said at least one benefit

(Sehr teaches, "...The mobile vendor can then request clearance of the electronic payments, including the redemption of payment points, as traditional money...", see at least Col. 26: 55-60)

wherein said pre-defined rewards eligibility criteria provide that a qualified purchase transaction is a transaction in which a ticket or a travel pass for any of various



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authorized travel modes is purchased, said authorized travel modes including at least two of air, water, bus, vehicle and train (Col. 15:10-39)..

**As to claims 2, 21, 34, 53 and 66**, Sehr discloses a method according to claims 1, 18, 33 and 50 above, and Sehr further discloses, wherein said payment product is at least one of a credit card, a debit card, a bank card, a smart card, and an automated teller machine card (abstract).

**As to claims 4, 6, 23, 25, 36, 38, 55 and 57**, Sehr discloses a method according to claims 1, 18, 33 and 50 above , and Sehr further discloses, comprising the step of presenting said at least one benefit for selection by said holder in a catalog including at least one of goods and services (Col. 9:24-50), and wherein said at least one benefit includes at least one of goods and services that are travel-related (Col. 9:24-50).

**As to claims 5, 24, 37 and 56**, Sehr discloses a method according to claims 4, 23, 36 and 55 above , and Sehr further discloses, wherein said at least one benefit is selected from a provider of at least one of goods and services different from a provider of at least one of goods and services associated with said qualifying purchase transaction

(Sehr teaches free admission to events, and purchase of discount merchandise, Col. 14:50-67 and Col. 15:1-39).

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**As to claims 7, 8, 26, 27, 39, 40, 58 and 59,** Sehr discloses a method according to claims 6, 25, 38 and 57 above, and Sehr further discloses, wherein said at least one benefit is

at least one of free and discounted travel on a carrier of said holder's choosing,

and wherein said at least one benefit is at least one of free and discounted travel to a destination of said holder's choosing (Col. 21:53-67 and Col. 22:1-12).

**As to claims 9, 28, 41, and 60,** Sehr discloses a method according to claims 6, 25, 38 and 57 above, and Sehr further discloses, wherein said at least one benefit is at least one of free and discounted lodging of said holder's choosing (Col. 26:1-67, Col. 27:1-11 and Col. 33:30-50).

**As to claims 10, 11, 29, 30, 42, 43, 61 and 62,** Sehr discloses a method according to claims 4, 23, 36 and 55 above, and Sehr further discloses, wherein said catalog is provided over a global computer network,

and wherein said global computer network is the Internet (Col. 1:30-45 and Col. 33:30-50).

**As to claims 12, 13, 19 and 20,** Sehr discloses a method according to claims 1, and 18 above, and Sehr further discloses, further comprising the step of fulfilling a request by said holder to redeem said at least a part of at least one of said value and said additional value for said at least one benefit,

and wherein said step of fulfilling a request by said holder to redeem at least part of said at least one of said value and said additional value for said at least one benefit is effected by at least one of said issuer and a fulfillment representative of said issuer (Col. 14:50-67 and Col. 15:1-39).

***Claim Rejections - 35 USC § 103***

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. **Claims 17, 48, and 69 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,609,658 (Sehr) in view of U.S. Patent 5,774,870 (Storey).**

**As to claims 17, 48 and 69,** Sehr discloses a method according to claims 12, and 33 above, and Sehr further discloses, wherein said value and said additional value are accruable in an accrued rewards value balance (Col. 8:44-61),

**But Sehr** does not disclose wherein said step of fulfilling a request by said holder to redeem said at least a part of at least one of said value and said additional value for said at least one benefit is effected when said accrued rewards value balance is at least

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one of equal to and greater than a pre-selected threshold amount associated with said at least one benefit.

However, Storey discloses wherein said value and said additional value are accruable in an accrued rewards value balance

(in Storey's system there is a frequent database to store accounting information such as balances for each user of the incentive award program, Claim 1 of Storey's reference), and

wherein said step of fulfilling a request by said holder to redeem said at least a part of at least one of said value and said additional value for said at least one benefit is effected when said accrued rewards value balance is at least one of equal to and greater than a pre-selected threshold amount associated with said at least one benefit

(Storey's system contains an "award ceiling", claims 8 and 9 of Storey's reference).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Storey's teaching into the system of Hardesty. One would have been motivated to provide accounting functionality for the rewards process (accruable rewards and partially redemption) in order to offer a friendly redemption process to the customer.

**8. Claims 14-16, 31-32, 46-47, 63-64, and 67-68 are rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,609,658 (Sehr) in view of U.S.**

**PG Pub No. 2004/0049459 (Philliou) and in view of U.S. Patent No. 5,021,953 (Webber et al).**

**As to claims 14, 15, 31, 46, 63 and 67,** Sehr discloses a method according to claims 1, 18, 50 and 65 above, and Sehr further discloses, the step of determining a travel distance associated with said at least one travel ticket

( Sehr teaches, "...The passenger card lets the cardholder also accumulate frequent bonus points in consideration of traveling with a particular carrier over a predetermined distance...", Col. 21:53-67 and Col. 22:1-12)

**But** Sehr does not disclose comprising the step of obtaining Level 3 Data associated with said qualifying purchase transaction.

However, Philliou discloses purchase detail transaction data available at level III (abstract). Further, Philliou discloses that level III data is the most detail transaction data available (Paragraph 0027).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Philliou's teaching into the system of Sehr. One would have been motivated to utilize level III data because provides a great detail of data.

**But** Sehr and Philliou do not disclose wherein said step of determining a travel distance associated with said at least one travel ticket is based on said Level 3 Data.

However, Webber discloses the calculation of distance ratio using the passenger name record, level III data, (abstract, Fig. 8).

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Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Webber 's teaching into the system of Sehr and Philliou. One would have been motivated to calculate the travel total distance based on level III data stored in the passenger name record because it is a trusty source for data.

**As to claims 16, 32, 47, 64 and 68,** Sehr discloses a method according to claims 14, 31, 46, 63 and 67 . But Sehr and Philliou do not disclose, wherein individual legs of a trip associated with each travel ticket purchased with said payment product are accounted for using said Level 3 Data.

However, Webber discloses the calculation of distance ratio to satisfy trip request processes (Col. 8:59-68 and Col. 9:1-2).

Therefore, it would have been obvious to one of ordinary skill in the art, at the time of the invention, to incorporate Webber 's teaching into the system of Sehr and Philliou. One would have been motivated to use level III data to compute the distances of legs when needed.

### ***Response to Arguments***

7. Applicant's arguments on 01/07/2010 have been very carefully considered but are not persuasive.
8. Rejection of the claims 1-32 under 35 USC 101 are withdrawn because applying the Applicants amended the claims.
9. Applicant's arguments have been fully considered. The arguments are moot in light of the above new grounds of rejection.

### ***Conclusion***

Any inquiry concerning this communication or earlier communications from the examiner should be directed to M. VICTORIA VANDERHORST whose telephone number is (571)270-3604. The examiner can normally be reached on regular business hours from Monday through Friday from 8:30 AM to 4:30 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Lynda Jasmin can be reached on 571 272 6782. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/M. V./

Examiner, Art Unit 3688

May 5/2010

/Raquel Alvarez/

Primary Examiner, Art Unit 3688